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ABSTRACT

Throughout South Carolina, the Technical Education System had experienced a leveling of the growth that had characterized its early years, and a sharp decline in state financial support over the last three years. At Piedmont Technical College, where enrollments had remained relatively stable, the substantially reduced state of financial allocations had forced the college to reduce expenditures across a wide range of college activities. Typically across the board reductions were made in most budget categories to balance planned revenue with forecasted expenditures. The prospects of continued austere funding by the state as well as a potential drop in enrollment required the college to look to other alternatives to achieve essential economies. While the administration had viewed staff reductions with reluctance, the statewide enrollment decline pattern and reduced appropriation prompted the president of Piedmont Technical College to request the development of a reduction in force procedure. The purpose of this research was to develop this policy. This study focused on the review, analysis and evaluation of literature concerning retrenchment and reduction in force. Additionally an analysis was made of those aspects of governance at Piedmont Technical College that defined the parameters within which the retrenchment policies could operate. A review was made also of state policies that concerned personnel reductions. As a result of this study a reduction in force procedure was developed and subsequently approved by the local governing board as official policy. The approved policy and related documents are appended. (Author/MSE)

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DEVELOPING A PROCEDURE FOR REDUCTION IN FORCE AT PIEDMONT TECHNICAL COLLEGE

COLLEGE GOVERNANCE

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A PRACTICUM PRESENTED TO NOVA UNIVERSITY
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THE DOCTOR OF EDUCATION DEGREE

NOVA UNIVERSITY

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ABSTRACT

Throughout South Carolina, the Technical Education System had experienced a leveling of the growth which had characterized its early years, and a sharp decline in state financial support over the last three years. At Piedmont Technical College, where enrollments had remained relatively stable, the substantially reduced state financial allocations had forced the college to reduce expenditures across a wide range of college activities. Typically across the board reductions were made in most budget categories to balance planned revenue with forecasted expenditures. The prospects of continued austere funding by the state as well as a potential drop in enrollment required the college to look to other alternatives to achieve essential economies. While the administration had viewed staff reductions with reluctance, the statewide enrollment decline pattern and reduced state appropriations, prompted the President of Piedmont Technical College to request the development of a reduction in force procedure. The purpose of this research was to develop this policy. This study focused on the review, analysis and evaluation of literature concerning retrenchment and reduction in force. Additionally an analysis was made of those aspects of governance at Piedmont Technical College that defined the parameters within which the retrenchment policies could operate. A review was made also of state policies that concerned personnel reductions. As a result of this study a reduction in force procedure was developed and subsequently approved by the local governing board as official policy. The approved policy is enclosed as an appendix.

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DEVELOPING A PROCEDURE FOR REDUCTION IN FORCE AT PIEDMONT TECHNICAL COLLEGE

INTRODUCTION

This study was undertaken to develop a Reduction in Force (RIF) Procedure for Piedmont Technical College.

Throughout South Carolina, the Technical Education System had experienced a leveling of the growth which characterized its early years and a sharp decline in state financial support over the last three years. At Piedmont Technical College, where enrollments remained relatively stable, the substantially reduced state financial allocations forced the college to reduce expenditures across a wide range of college activities. Typically across-the-board reductions were made in most budget categories to balance planned revenue with forecasted expenditures. In Fiscal Year(FY) 76, the budget was balanced by limiting the expenditures for travel, office/instructional supplies, and faculty/staff development. A further reduction in state financial support in FY77 resulted in the decision to reduce most budget categories by 8 percent. Additionally, considerable planning was conducted to surface cost reduction ideas. This effort resulted in the implementation of a number of economies, particularly in the building and grounds area. Sufficient economies were made in FY77 to balance revenue with expenditures at year end.

In FY78 the state allocation was less than the previous year. Once again, except for the full time payroll category, reductions were made in all other budget accounts. In addition, a number of maintenance projects were deferred. Despite these and other economy measures,

local monies designated to maintain facilities were required to meet the June 1978 payroll.

At this writing the enrollment and financial outlook for FY79 remained unclear. There was no reliable indication that state financial support would improve substantially or that enrollment would increase or stabilize. The prospects of continued austere funding by the state as well as a potential drop in enrollment required the college to look to other alternatives to achieve essential economies. Since salaries represented the single largest budget category it had to be viewed as a potential source for reduced expenditures.

To date, Piedmont Technical College has absorbed budget reductions by economy measures other than by a planned reduction in force. While the administration has viewed staff reductions with reluctance, the statewide enrollment decline pattern and reduced state appropriations prompted the President of Piedmont Technical College to request the development of a reduction in force procedure (see Appendix A). The purpose of this research was to develop this policy.

Reduction in force was not a pleasant alternative for the faculty or the staff. The issue has been controversial and has caused considerable turmoil when implemented in other schools. In a study of the impasse between the administration of the Community College of Beaver, Pennsylvania and the faculty, Bacon (1977:5) noted that the major reason for the holdout by the faculty was the college policy on retrenchment. It was only when the college agreed to let the faculty bargaining unit play a role in proposed reductions that the faculty agreed to return to

work. An Oregon State Department of Education Study (1977:1) noted that the need for reduction in force could face any Oregon School "due to levy failures, and enrollment drop, reorganization or loss of state or federal funding." This study recommended that plans be developed "in an unemotional setting and before a crisis occurs."

Piedmont Technical College (TEC) and, for that matter, the state TEC system did not have a reduction in force procedure. The potential for personnel reductions warranted the development of such a procedure to preclude or, at the very least, minimize the emotional turmoil inherent in reductions. The results of this study provided the background information and foundation for the development of school policy in this sensitive and vital area. This study focused on the review, analysis and evaluation of literature concerning retrenchment and reduction in force. Effort was made to review literature that addressed causes for retrenchment as well as to review those studies that discussed the development of RIF policies, procedures, implementation, and problems.

Additionally the governance process at Piedmont Technical College was reviewed to determine the parameters within which retrenchment policies could operate. A review was made also of state policies that concerned personnel reductions.

As a result of the study and analysis of literature in the field and a study of those aspects of governance at the state and local level that influenced the writing of a force reduction policy, a reduction in force procedure was developed, critiqued at the college and state level, and subsequently approved by the local governing board as official policy.

BACKGROUND AND SIGNIFICANCE

Piedmont TEC is one of 16 technical education centers/colleges in the State of South Carolina Technical Education System. The college is supported financially by Federal, state and local monies. The latter represents revenues from student tuition and from the seven counties surrounding the college for the maintenance of the physical plant. Federal funds are those provided to the college to manage a number of grant programs. The single largest source of revenue for the school was the annual allocation from the State Board for Technical and Comprehensive Education. This allocation, derived from a formula rooted essentially in enrollments, was designed for and restricted to the payment of faculty and staff salaries. In each of the past two fiscal years the TEC Audit Report validated substantially reduced state allocations (Elliott, Davis: 1977:4). In FY77, the allocation of $1,391,050 was $100,000 less than that provided in FY76. In FY78, the state allocation was $125,000 less than the FY77 allocation. The appropriations for FY79 were not approved by the state legislature at this writing.

Throughout the South Carolina Technical Education System funding had been a problem for several years. From 1962 to 1977, the TEC system's primary mission was to provide trained manpower to stimulate statewide capital investment and general economic growth. From 1962 through the early 1970's the technical education system was characterized by phenomenal growth. By the summer of 1972, the State Committee for Technical Education Conference proceedings reported that technical education centers had trained some 400,000 people and incurred capital

expenditures of over $30 million exclusive of land costs (1972:10). This conference noted that the TEC system had conducted over 600 special schools to place 35,000 persons on jobs requiring technical competence. As a result of the growth in technical education, the TEC system was credited with playing a major role in the economic growth of South Carolina. The contribution of the TEC system to the economic well-being of South Carolina insured good feelings about the system in the state legislative body and generous funding.

The brightness of the TEC system dimmed somewhat with the downturn of the economy in the early 1970's. The deep recession of 1974 caused financial pressures on the state treasury and subsequently, the State Board for Technical and Comprehensive Education. Financial pressures on the education system were not unique to South Carolina. Kemerer and Baldridge (1975:44) characterized the financial problems and the shift in legislative support during this period in their text on unions.

> As if decreasing enrollments and a sick economy had not been troublesome enough, priority shifts have taken place in state legislatures and Congress. Problems for colleges began with student dissent of the middle and late 1960's. The result was diminished popularity of educational causes with the government and among the public in general; unfortunately it coincided with the beginning of depressed economic conditions. The Federal government dramatically curtailed funding programs for higher education. State appropriations leveled off as claims from other quarters increased.

The results of these forces in South Carolina were austere funding for technical education and a halt in growth throughout the TEC system. A 1977-78 pamphlet designed to solicit legislative support for technical education indicated that demand for training had far exceeded the

state's funding during the last three years and that inflation had reduced the value of the TEC system's appropriated funds (1977:1). As a result of austere increments in state appropriations, ceilings were placed on program growth. This same TEC publication noted that full-time equivalency (FTE) curriculum enrollment decreased by 9 percent because of inadequate funding (1977:2).

For the past three years, Piedmont TEC's enrollment in terms of FTE students remained stable at approximately 1800 students. To accommodate three years of austere funding, a number of economy measures were instituted. Since the major shortfall was in the salary area, concerted efforts were made to limit expenditures here. For example, 40 percent of instruction was performed by part-time faculty. At an average pay of $6.25 an hour, significant economies were realized. Additionally, efforts were made to increase the size of classes (Morgan: 1978:1). Efforts were made also to reduce expenditures in travel and in the procurement of office and instructional supplies. In FY78, the Piedmont TEC Budget Guidance letter (1977:1) reflected an 8 percent reduction in most budget categories. Despite these economy measures the Vice President for Business Affairs reported in a May 23, 1978 Area Commission meeting that approximately $80,000 in local funds were required to supplement state funds to meet the June 1978 payroll. The President of Piedmont TEC added that the carefully planned retention of local monies to meet the expected shortfall in state appropriated funds resulted in the deferral of a number of essential maintenance programs and that if state appropriations were not

increased substantially other possible economies would have to be examined.

In the latter part of FY78, legislative action to reverse the funding pattern for the technical education system in FY79 and beyond was not clear. Typically good news regarding state assembly committee action on the TEC system appropriation was followed by somber warnings by TEC system officials. In the May 1978 issue of Tec Notes (1978:2), the director of the technical education board reported that "the TEC System was being considered for a significant increase in appropriations." In the same publication the associate executive director cautioned that "the Appropriations Bill was only about a 40 percent reality at this point--that the bill is some $17 million out of balance--and that anticipated revenue for 1978-79 is $17 million less than the total of the appropriations bill." As a result, the FY79 budget picture was unclear.

To date, Piedmont TEC has absorbed budget reductions by economy measures other than by a planned reduction in force. This approach was consistent with the results of a current study by the Education Commission of the United States (1977:2) that noted the unwillingness of higher education to implement retrenchment despite the financial pressures on educational institutions. This study implied that a number of other measures including employment policies were used before resorting to reductions of permanent staff. At Piedmont TEC there were occasions when positions were not filled when vacated through resignations; however, these positions were often ones that had performed essential tasks. The decision not to fill unexpected vacancies in the interest

of saving money resulted in the curtailment of some important services, e.g., counseling. While the administration was reluctant to consider staff and faculty reductions, the possibility of continued austere state appropriations and the statewide trend of declining enrollment prompted the President of Piedmont Technical College to reaffirm the need to develop a meaningful reduction in force procedure as a possible economy alternative.

There have been a number of studies that have focused on the financial plight of colleges and the resultant consequences. Kemerer and Baldridge (1975:44) noted that declining enrollments and exploding costs produced retrenchment and calls for accountability. They noted that the student dissent of the 1960's and the seeming inability of college administrations to cope satisfactorily with campus problems marked the beginning of "diminished popularity of educational courses with the government and among the public in general." Coupled with a depressed economy, the loss of support resulted in lower appropriations to education during the 1960's and early 70's.

More recently, the Educational Commission of the United States (1977:1) noted that "elementary, secondary and post-secondary education systems have been caught in a closing economic vise during the past five years." Even more recently the Chronicle of Higher Education (Magarell: 1978:4) reported that a number of private colleges had lost ground from prior years. This article reported that the proportion of institutions in a precarious financial position increased in 1976-1977. In a review of a number of financial indicators for private two-year colleges, 50 percent were considered to be in weak condition and 44 percent were

losing ground.

In the public sector, the unwillingness of state legislators to increase funding for community colleges in response to public pressures to control tax levies indicated that financial woes of colleges included both private and state supported institutions (Goodwin & Young: 1978:2).

Declining enrollments have contributed also to financial difficulties. Time Magazine (May 1978:69) reported that "it is a buyer's market as colleges scramble to fill spaces." It reports that "by 1985 the high school age group will have dwindled by an estimated 15 percent to 30 percent and the downward trend is likely to continue at least until 1990." In a study of declining enrollments in public schools, Thomas (1977:1) stated pragmatically that "declining enrollment almost inevitably means reduction in force--specifically, in the number of teachers." This cause and effect relationship was demonstrated in a study of faculty reductions at Miami-Dade Community College. In this study, the crisis that precipitated the need for a fairly rapid reduction in force was described (Zaharis: 1973:6). Zaharis noted that "Miami-Dade College experienced a period of continuous growth through the years 1960-1971--and that no change in the growth patterns was anticipated when enrollment projections for the fall semester, 1972-73 were made." Early registration figures received as late as July and August 1972 did not indicate that the college would experience a sharp decline for fall, 1972. A decrease of 2828 credit students from the fall, 1971 surprised the administration and governing board and resulted in expedited

retrenchment. A review of Zaharis's work revealed that Miami-Dade College did not have a reduction in force policy prior to the immediate need for such a policy. The Miami-Dade solution at that point was to form a college-wide committee to develop staff reduction criteria. As a result of having to take the difficult action of reducing personnel, Zaharis concludes that "Miami-Dade Community College will soon find itself actively engaged in collective bargaining as an administrative reality" (Zaharis:77:23).

While there were a number of papers that dealt with financial and enrollment difficulties and the resultant need to reduce personnel, fewer studies addressed specific procedures used to accomplish reductions. There were a number of exceptions.

In a topical paper, Grays Harbor College (1974:1) published their employee reduction procedure. These procedures were followed for "faculty dismissal because of program termination or reduction, decreases in enrollment, changes in educational policy or substantial evidence of a serious shortage of funds." In this procedure the need for a reduction in force was determined on the basis of the need for reduction in each division of the college. Once that need was determined, seniority was used as the criterion for layoff. Essentially this procedure called for presidential decision as to the need for a reduction. Once this need was established on a departmental basis, the criteria for layoff was seniority.

One of the more comprehensive papers on reduction in force was written by John Lombardi (1974). Lombardi's study focused on reduction

in force policies in community colleges. A considerable number of colleges were studied. While he discussed the financial conditions and the fact that the acronym RIF had become a part of academic jargon in the 1970's, his analysis of elements of RIF policies was the focus of this author's detailed review. He notes that there are considerable variations in RIF policies, and that the policy may be no longer than a sentence "announcing that the release of unit members owing to budgetary considerations--or on the other hand, consist of three or four pages detailing the various steps in the process" (1974:7). His analysis noted that faculty participation in the RIF process was taken for granted in many colleges and "mandated in a large number" (1974:8). In some colleges faculty participation was a concomitant of collegiality required by the terms of collective bargaining or the result of legal advice. Lombardi argued that faculty participation was "essential to insure their acceptance of the equity of the process, to meet due process requirements and to reduce litigation" (1974:8).

As mentioned, few studies detailed the administrative process that prompted a RIF. Lombardi's review revealed that all RIF policies stated that dismissals of instructors could take place but few indicated "how much decline must take place before the process is activated or how many instructors may be dismissed" (1974:10).

A large portion of Lombardi's study concerned seniority. His research documented that dismissal procedures depended heavily on seniority, and that merit was used rarely. This applies to RIF policies developed with minimum and with maximum faculty participation

(1974:11). In those cases when merit was one or the main criterion in the dismissal process, Lombardi argued that "it is doubtful that it is often applied" (1974:11). To support this argument he used the Miami-Dade RIF as an example. Here he noted that seniority played a major role even though the Miami-Dade policy approach was that "time of service would be immaterial in determining who would be retained and who would be dismissed" (Zaharis: 1973:11). In actual fact, 51 or 54 dismissed at Miami-Dade were on annual (non-tenured) contracts (Lombardi: 1974:12).

The remainder of Lombardi's study concerned notification of dismissal, rights of employees and the legal implications of RIF actions. In the latter he discussed administrators liability for damages. He quoted a study of C. Miner, General Counsel, Florida State Board of Education (Miner: 1974:2-3). Miner stated that administrators responsible for implementing RIF policies face the possibility of suit for personal damages if a dismissed instructor can prove that the "official action was purposely discriminatory, knowingly reckless or willful."

Conversely, Thomas (1977) maintains that the reduction process need not be as traumatic as some perceive. His study suggests basing teacher personnel requirements on mid-year enrollment projections rather than first-of-the-year enrollment since the number of students always declines as the year progresses. He lists a number of strategies to minimize actual terminations during declining enrollments. His suggestions include: adoption of early retirement plans; adoption

of aggressive procedures for termination of unsatisfactory performers; coordination with schools experiencing growth; and aggressive pursuit of federal and private monies to offset declining student revenues. Thomas concludes that school officials have "confronted many problems and had found solutions to extremely difficult ones." He maintains that the problem of declining school population required "long-range planning and sensitivity to human needs" (1977:8).

Thomas's study was a departure from a number of other studies of retrenchment. He saw declining enrollments as an opportunity for educators to develop longer range planning strategies that offset the often adverse consequences of staff reduction precipitated by declining enrollments and financial crisis.

The financial plight that has characterized many of the educational institutions in the country was present at Piedmont Tec. Declining enrollment which was the basis of, or a major contributor to financial difficulties in colleges has begun to be a financial factor in the TEC system. While Piedmont TEC's enrollment has been stable at approximately 1800 full time equivalent students (FTE) for the past two years, the phenomenal growth of the late sixties and early seventies has stopped. Further there were some indications, notably a sharp decline in fall quarter 1978 pre-enrollments, that the enrollment declines experienced by the TEC system were materializing here. The added dimension of declining enrollments and consequently reduced student revenue, coupled with the decline in state appropriated funds, intensified the possibility of financial crisis for the college.

In view of this potential crisis, the development of a comprehensive reduction in force procedure was important to the college.

If the scarcity of funds remained a fact of life in the technical education system and/or enrollment declines necessitated reductions in college personnel, it was important to have a reduction in force procedure that was reviewed, tested, evaluated and ajudged by faculty and staff to be fair and equitable.

The appropriateness of this topic for the College Governance module tracked to the need to develop comprehensive personnel policies that addressed major potential problems in a meaningful way. The effective use of human resources required effective communications and interaction between the administration and faculty/staff. The early development of a procedure which, if implemented, could have potentially adverse consequences for college personnel, was essential to the reinforcement of positive communications between the administration and faculty/staff. If, in fact, a need arose to reduce personnel, the procedure to do so would be detailed well in advance of implementation to insure that all personnel understood and supported its' provisions.

PROCEDURES

Information and data for this study were derived from a number of sources. As a first step the study focused on a review of prior research pertaining to reduction in force and retrenchment in educational institutions. This review concentrated on the setting that precipitated the need for staff/faculty reductions. This initial research led to a review of textbooks, periodicals and newspaper articles that provided some insights into the current financial and economic climate pervading the academic scene today. Throughout the research a concerted effort was made to find documented reduction in force procedures that included a discussion of the forces that prompted reductions and the subsequent problems encountered.

As a second step, a review was made of those aspects of governance at Piedmont Technical College that influenced the development of a RIF policy. This review included a study of college by-laws and existing policies as well as a review of the personnel policies of the State Board for Technical Education.

As a result of this research and evaluation of the factors judged to be meaningful for inclusion in reduction procedures developed by other institutions, a draft reduction in force procedure was developed and forwarded for critique to the institutional officers, deans and faculty organization at Piedmont TEC and to the State Director of Personnel for Technical and Comprehensive Education.

Evaluation of critique information prompted the need for the scheduling of a number of one-on-one conferences with the president

of the faculty senate, the state director of personnel and subsequently the school president. These conferences resulted in the preparation of a revised procedure which was returned to the reviewers cited for concurrence and subsequently to the president for approval and presentation to the governing board for their review and adoption.

As a final step, the approved procedure was incorporated into the college directives system as the official Reduction In Force Procedure for Piedmont Technical College. Provisions were included for the review of this procedure for relevancy by the insititutional officers and faculty senate every two years.

Limitations

There were a number of limitations to this study. The major limitation was that the scope of research was narrower than preferred due to time constraints. Moreover, the number of published written RIF procedures was small despite the fact that a large number of studies alluded to the need for retrenchment because of financial and enrollment constraints. The development of a survey instrument designed, among other things, to determine the existence of written RIF procedures as well as retrenchment actions may have provided additional meaningful data.

The absence of collective bargaining in educational institutions in the State of South Carolina may have influenced the criteria established for reduction in force.

Finally, the individual uniqueness of educational institutions throughout the country, including those that are a part of the

South Carolina Technical Education System, limit the application of the resultant procedure to this college.

Delimitations

As a result of the limitations of this study, the reduction in force procedures had direct application only to Piedmont Technical College.

Definition of Terms

Institutional Officers - The vice presidents for development, academic affairs and business affairs.

President - The President of Piedmont Technical College.

Reduction in Force - Termination of employment based upon financial and/or enrollment shortfalls.

Retrenchment - Any one of a number of economy measures, including reduction in force, designed to reduce college expenditures.

Seniority - Length of employees service with the State of South Carolina beginning as of the last date hired.

TEC - When used alone, this term refers to Piedmont Technical College. When followed by system i.e., TEC system, this refers to the South Carolina Technical Educational System.

RESULTS

As a result of the review of literature it was apparent that a number of educational institutions throughout the country have experienced financial difficulty rooted in decreased financial support from governmental and private sources as well as from declining student enrollment. The financial plight of colleges in the 1960's and 1970's was documented well. Apparent also was the fact that the South Carolina Technical Education System, and within it, Piedmont TEC, have been fortunate to escape the wide-spread financial difficulties experienced by a large number of institutions in the late 1960's and early 1970's. While the economic and financial considerations that precipitated the need for retrenchment bloomed later in South Carolina, the characteristic symptoms were discernible in the TEC system. As in other states, the state legislators were concerned increasingly with the cost of education. This resulted in substantial reductions in allocations to education and halted growth in new programs which contributed to a state-wide decline in enrollment.

Equally evident in the literature was the fact that reduced revenue translated to a reduction in teachers. As would be expected, campus morale was found to be very low in the aftermath of a RIF (Zaharis:1973:17). This was a factor at Miami-Dade where a sudden, large drop in enrollment resulted in a fairly rapid reduction of over 50 faculty personnel (Zaharis:1973). The fact that there was no warning of the impending enrollment drop after years of enrollment growth reinforced the need to develop a RIF procedure for Piedmont

TEC where tremendous growth was experienced through the mid-seventies. At this time there was no discernible drop in enrollment at TEC, but the experience of Miami-Dade was evidence of the possibility of unexpected sudden reversals.

The results of the research effort to find documented reduction in force procedures was not as fruitful as anticipated. Many studies, topical papers and texts discussed retrenchment and RIF, but few included specific reduction procedures. The exceptions were the studies of Grays Harbor College (1974), Miami-Dade Junior College (1973) and Lombardi's topical paper on reductions in force (1974). From these documents and a study of examples of RIF procedures from the National Association of Secondary School Principals (NASSP) Monograph (1978), it was apparent that there were certain basic ingredients to a RIF policy. These included: a statement of policy, general statements outlining parameters of policy; specific RIF procedures including order of layoff; and employee rights. The results of the review of the South Carolina Personnel Policy Manual (1975) and governance procedures at Piedmont TEC revealed that the technical education system did not have a reduction in force policy. The extent of a layoff policy was restricted to one paragraph in the personnel policy manual (see Appendix B). Essentially, this policy covered RIF type reductions in one sentence:

> Non classified institutional officers, faculty, both teaching and non-teaching, and classified personnel are state employees and are subject to dismissal for a number of reasons. Among these reasons are: institutional contingencies such as curtailment or discontinuations of programs, departments, colleges or centers, or other conditions requiring reduction in staff.

This lack of a comprehensive RIF policy was noted in a recent independent study of the TEC personnel system by Thompson, Mann and Hutson (1978). Their study recommended the development of a RIF procedure. Subsequent to the start of this practicum, a draft reduction in force policy was provided to State TEC Personnel by Thompson, Mann and Hutson (see Appendix C). While viewed as somewhat incomplete and simplistic by some state personnel specialists, it did provide some insights for the subsequent development of this study's RIF policy (Mosely: 1978)

The result of the governance review of Piedmont TEC revealed that the proper regulatory instrument for the publishing of a reduction in force policy was the Institutional Directive System (1978). This system required the review and approval by the institutional officers of all college policy. Where the rights of employees were involved, college policy required the approval of the Area Commission, the local board of control.

While the broad policies governing the operation of Piedmont TEC were formulated by the State Board for Technical and Comprehensive Education, the specific implementation of policy was administered by a regional board known as the Piedmont Technical Education Commission. This Commission was composed of seven members appointed by the governor. His selections were made from names submitted by the county legislative delegation from each of the seven counties contributing financially to the support of the college. This board serves as a "policy-making body for the college in all instances where local, Federal and other

non-state funds are involved" (Piedmont TEC: Master Plan: 1971).

Following the guidelines established for the publication of an institutional directive and the generally unrestricted parameters of the TEC personnel system, a procedure incorporating insights from the results of the literative review, was drafted by the author. Essentially this procedure stated the economic and financial setting that could precipitate a reduction in force, the procedures to be used to determine order of layoff and employee rights. The results of the research of literature provided much of the background material for the General Section of the procedure. Similarly, Lombardi's study (1974) and the NASSP Monograph (1978) as well as a review of existing employee rights (South Carolina Employee Manual:1978), provided much of the information for the Employee Rights Section. While these considerations were important to the development of the RIF policy, order of layoff surfaced in the literature and in subsequent critiques as the key ingredient of the procedure.

Lombardi's study (1974:11) indicated that seniority was heavily dependant upon in dismissal procedures. He argued that "even at Miami-Dade where the approach was that time of service would be immaterial in determining retention, seniority played a major role" (1974:12). Also the independent consulting firm recommended length of service or seniority for order of layoff (see Appendix C). As a result, the first draft of the proposed RIF policy used seniority for order of layoff but mollified its use to seniority within a particular program or curricula identified for reduction

on the basis of enrollment data.

The first draft procedure was sent to the institutional officers, deans, faculty organization and state TEC personnel for review and critique (see Appendicies D,E, & F). Approval of the institutional officers was mandatory for approval of the directive. This was not true, however, for the faculty senate. Nevertheless, a copy of the draft procedure was sent to this organization to insure that this organization had the opportunity to play a role in the development of policy. The need for faculty involvement in reduction decisions as well as other deliberations has been well established on those campuses where the academic community had a commitment to shared governance. Kemerer and Baldridge (1975:327) noted that the academic senates were at the very heart of the academic governance process-that the senates or deliberative bodies "are the arena where faculty and administrators meet as educational professionals to deliberate on matters of shared concern, providing the forums for the academic community's deliberations in curriculum matters, budgetary issues and other professional activities." The American Association of University Professors (AAUP) has even encouraged the presidents of institutions in financial difficulty to explore, with the assistance of a committee of his faculty members, ways and means of preventing dismissals (Stier: 1972:22). Alfred (1978:8) noted that the movement toward collective bargaining by many two-year colleges and the resulting inflexibility in institutional budgets produced by fixed personnel costs would prompt administrators to include faculty in

the planning process leading to the decision for reduction. In the author's view, faculty involvement was essential.

The first draft procedure was received positively and produced a number of constructive criticisms (see Appendices G,H, & I). The institutional officers generally agreed that the "proposed directive seems very sound," although the Vice-President for Academic Affairs felt that the procedure should not "encompass assessing the need for a reduction in work force--that these decisions will be dictated by the many factors affecting the institution and the institutional officers are responsible for addressing the need and the specific action required" (see Appendix J).

With one exception the deans agreed with the procedure. The Dean of General Education felt that performance rather than seniority should be the basis for layoff (see Appendix K).

The faculty organization felt somewhat threatened by the policy (see Appendix L). Earlier research of literature indicated that this was to be expected. Goodwin (1975:5) noted that "even though a faculty member is employed on a basis other than tenure, there remains the expectation of continuing employment." He argued that job security will continue to be a key faculty concern because of the pattern of enrollment shifts within deciplines even when overall enrollment figures show growth. While this element of enrollment shifts within diciplines was considered by the writer and became a part of the reduction policy, the faculty here were concerned with the declining enrollment element of the procedure. Specifically

they were concerned that programs that had a "great many students in the past couple of years and then have an average enrollment for the current year" would not be penalized (see Appendix L). A subsequent one-on-one discussion between the president of the faculty senate and the author resulted in a constructive critique of the policy (Shull: 1978). This objection was resolved by including a faculty suggested re-write in a second revision. Another major objection concerned the emphasis on faculty reduction as opposed to staff or administrative reductions. Here the faculty felt that programs produce FTE, and as a result, cash, while administrative members provide no offsetting source of income (see Appendix L). This criticism was treated also in the re-write.

The critique by the state personnel division was conducted during a discussion between the Director of State TEC Personnel and the author on September 1, 1978. The director had two major concerns, both related to the order of layoff. The first concern was that quality of performance was not a factor in retention. The second concern was that minority groups would fare badly using seniority exclusively for the order of layoff. He indicated that this aspect of the procedure should be reviewed and revised if appropriate. He expressed a desire that the policy be reworked to include additional criteria for order of layoff. While data on the effects of retrenchment of minorities was scarce, a Ford Foundation study (1977) based upon a report by Bella Rosenberg, a doctoral student at Harvard Graduate School, revealed that seniority

and tenure issues with respect to retrenchment conflict to a large extent with affirmative action goals.

As a result of a study of the critiques and a further review of literature, as well as a lengthy conference with the school president on September 12, 1978, a second draft procedure incorporating a number of suggested changes was developed and distributed to all of the original readers for further critique and approval (see Appendices M, N, and O). The second version had a number of substantive changes. The major change reflected the concerns that performance and seniority played a role in the order of layoff process. The review of the Miami-Dade study (Zaharis: 1973), the Rosenberg Report (1977), discussions with the president and state director of TEC personnel, resulted in the development of a point system for the selection of surplus personnel. Somewhat similar to the Miami-Dade policy, points were awarded for educational qualifications, efficiency of performance and seniority. While individuals were rewarded for academic credentials and length of service, almost 50 percent of attainable points were an outgrowth of sustained superior performance. The use of merit was somewhat of a departure from the criterion used for order of dismissal from colleges studied by Lombardi in his 1974 paper; however, it was used as an element in layoff determination in a number of junior colleges, including Miami-Dade, although in this latter case, Lombardi would argue otherwise (1974:12).

The second draft expanded those paragraphs in the original draft that were most often misunderstood. With minor objections, all

which were resolved, the original readers accepted the revised reduction in force procedure (see Appendix P).

On October 17, 1978, the President presented the proposed Reduction in Force Procedure to the Piedmont Technical Education Commission for approval as official college policy. The procedure was adopted on that date and on October 18, 1978, made a part of the college directive system (see Appendix Q).

DISCUSSIONS, IMPLICATIONS AND RECOMMENDATIONS

The purpose of this study was to develop a Reduction in Force Procedure for Piedmont Technical College. The major factor prompting the decision to develop a reduction in force procedure was a financial one. The South Carolina Technical Education System has experienced a leveling off of the substantial growth which characterized its early years and a sharp decline in state financial support over the last three years. At Piedmont Technical College reduced state appropriations had been absorbed through a wide range of budget economies short of a reduction in force. Expenditures have been reduced by deferring non-essential maintenance and by across-the-board reductions in most other budget categories. The prospects of continued austere funding by the state as well as a potential drop in enrollments forced the college to develop other alternatives for reduced funding. Since salaries represented the single largest budget category and was impacted directly by reductions in state appropriations, it had to be viewed as a major potential source for reduced expenditures.

The South Carolina Technical Education System, and Piedmont Technical College as one of the sixteen colleges in the system, had not addressed the possibility of a reduction in force. As a result, the TEC System did not have a reduction in force policy or procedure. Since state financial support had eroded and enrollment growth had halted, the potential for personnel reductions warranted the development of a RIF procedure. This study resulted in the development of a

reduction in force procedure for Piedmont Technical College and a model for possible state-wide use throughout the technical education system.

The review of literature revealed that educational institutions throughout the country have experienced varying degrees of financial difficulty rooted in decreased appropriations from governmental and private sources and from falling enrollments. The financial difficulties experienced by Piedmont Technical College were unique only in that the crisis arrived somewhat later than in other parts of the country. Nevertheless the characteristics that have forced retrenchment in other schools were evident at Piedmont TEC. Earlier research revealed that loss of revenue translated generally to a reduction in instructors. Additionally, earlier studies indicated that it was important to develop reduction plans "in an unemotional setting and before a crisis occurs" (Oregon State Department: 1977:1).

While an abundance of material was available on financial difficulties of educational institutions and the need for a variety of retrenchment actions, specific policies and procedures for a reduction in force were scarce. As a result, this study relied heavily on a limited number of sources and on one-on-one discussions with the administration and faculty at the local level and the personnel division at the state level. Particular effort was made to engage the faculty senate in the review process to insure that the resultant policy would not be viewed as threatening. Similar effort was extended to the State Personnel Division to insure approval of a local policy at the state level.

The development of a reduction in force policy had a number of implications. Overall the study has provided the institutional officers and faculty with a better understanding of the financial problems facing educational institutions. Also it has provided Piedmont Technical College with an approved reduction in force policy and procedures for its implementation.

From an administrative standpoint, this study provides another alternative for reducing expenditures. While not a pleasant alternative, the procedure developed as a result of this study does provide a systematic approach to a difficult problem. Moreover the approach is one that has been reviewed and approved by the governance organization.

For the faculty, the study may have provided added insights into the scope of the financial problems faced by the administration. Further it has allowed them to play a role in the development of a policy that was a vital concern to them. While the adoption of a RIF policy may continue to cause some anxiety for some faculty and staff, the policy was developed openly and is in published form available for review by all employees.

Recommendations

In view of the continued austere budget outlook within the TEC System and the results of this study, the following recommendations are made:

1. That the reduction in force policy, developed as a result of this study, become official Piedmont Technical College Policy (completed, see Appendix Q).

2. That the writer be permitted by the President to continue to work with the State Personnel Division to finalize a state-wide reduction in force policy.

3. That the writer be permitted by the President to capsulize the results of this study and circulate the results in an appropriate form to the faculty.

4. That the writer be permitted by the president to pursue publication of the reduction in force policy.

5. That the reduction in force procedure be reviewed by the institutional officers, deans and faculty for relevance after a period of two years.

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APPENDICES

APPENDIX A

INTER-OFFICE MEMORANDUM

Piedmont TEC

DATE: May 26, 1978

TO: John Morgan

FROM: Lex Walters

SUBJECT: Reduction in Force Policy

The decreasing state budget allocations in the last two years have made it difficult to meet the increasing costs of maintaining quality education. As you know we instituted a number of economy measures this year in order to reduce costs. Reductions in travel, office supplies, instruction supplies, a moratorium on hiring, increasing class size, and energy conservation were all part of our program. However, we still face paying a substantial part of state supported salaries from our accumulated surplus account. This is an unhealthy practice that cannot be continued over an extended period.

If we face a continuation of reduced funding by the state board next year, I'm afraid that we will have to examine other alternatives. One alternative that can't be discarded, despite the desire to avoid this action unless compelled to do so, is a reduction in force. As discussed earlier, neither we nor the TEC system has a reduction in force procedure. I believe that it is most important that one is developed.

If you could work this into your current study with Nova, I believe that it would be a tremendously worthwhile project.

fe

J. Patent Policy

Reserved.

K. Copyright Policy

Reserved.

L. Employee Terminations

1. Voluntary Termination

Employees of the State Board for Technical and Comprehensive Education and its institutions, who, for personal or other reasons, wish to terminate their employment, should submit, in writing, notice to the proper authority of their intent to resign. While as much notice as possible should be given to allow for proper replacement, at least 30 days notice is requested.

2. Involuntary Termination

Nonclassified institutional officers, faculty, both teaching and non-teaching, and classified personnel are state employees and, as such, are subject to dismissal for a number of reasons. Among these reasons are: (1) institutional contingencies such as curtailment or discontinuations of programs, departments, colleges, or centers, or other conditions requiring reduction of staff; (2) physical or mental disability to perform normal duties based upon clear and convincing evidence; (3) conduct seriously prejudicial to the South Carolina Technical Education System; (4) failure to perform the required duties or failure to perform these duties in an acceptable manner; (5) disclosing confidential information. The above reasons for termination are not all inclusive but indicate representative causes that, with appropriate documentation, will support dismissals. Failure to renew contracts with currently employed permanent faculty will be viewed as a dismissal. The dismissed faculty member should be informed in writing of the reasons and circumstances requiring the dismissal.

3. Notices of Separation

Upon termination of any employee, the TEC Personnel Department must be notified immediately. Colleges/centers will submit the individual's PAIS stating the reason and accompanied by a copy of the individual's resignation or with a copy of the president's/director's letter of termination.

TEC POLICY AND PROCEDURES

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Steady employment and job security are goals which [TEC School] continuously strives to obtain for its employees. However, from time to time circumstances beyond the control of the [TEC School] may dictate a reduction in force. If such a reduction in force should become necessary, the order of layoff of permanent employees shall be governed solely by length of service with the State of South Carolina as defined below. This policy does not apply to any reduction in force which is expected to last for only thirty (30) days or less. Furthermore, this policy is designed to be fair and equitable to all employees without regard to race, color, religion, sex, age, or national origin.

In the event that a reduction in force becomes necessary, the President or Director of the [TEC School] will determine exactly which positions must be vacated, or which job classifications must be reduced, and that determination will be based upon funding or other managerial considerations. The President or Director will also define the competitive area within which the mechanics of the reduction in force procedure will apply. The competitive area may encompass all of the operations of a department within specific geographic boundaries. However, in some cases the competitive area will be limited to specific programs or

TEC POLICY AND PROCEDURES

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Reduction In Force Policy	No. Page Date		
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projects. In establishing the competitive area, the President or Director will give due consideration to the fact that the staffs in some areas are separately organized and clearly distinguishable from the staffs in other areas so that an interchange of employees would not be practical.

Employees who have been displaced from their jobs because of a reduction in force may bump any other individual within the competitive area from his job so long as (1) the bumping employee has more seniority with the state than the employee who is being bumped, and (2) the bumping employee has the training, education, and qualifications necessary to do the job. Seniority with the state, as used herein, means the length of an employee's service with the state beginning as of the last date hired.

Any employee laid off pursuant to this policy shall retain a right to re-employment for a period of one year from the date of separation, and reinstatement shall be in inverse order to the order of layoff. At the time of reinstatement all benefits, including accumulated sick leave, shall be restored. However, should an employee refuse to accept a job opening which is equal in grade and status to the position held prior to the layoff or fail to respond to an offer thereof within

TEC POLICY AND PROCEDURES

Subject	Supersedes	No	Date
Reduction In Force Policy	No. Page Date		
	Approved	Page 3 Of 3	

ten (10) calendar days after the mailing of the offer, the employee's right to reemployment is terminated.

On the day of separation the employee may request consideration for re-employment in any future job opening in a lower-graded position for which he is qualified. No employee, however, shall be offered more than three (3) such positions.

Employees returning from layoff status shall be employed at their former salary if funds permit. In no instance, however, will an employee be paid less than the minimum salary required by his job classification.

This policy will not be utilized unless a reduction in force is required. Employees who are not performing satisfactory service shall be separated by the appropriate method rather than by use of this policy.

ATTACHMENT O

Piedmont TEC

INTER-OFFICE MEMORANDUM

DATE: July 25, 1978

TO: Institutional Officers and Deans

FROM: John Morgan

SUBJECT: Reduction in Force Procedure

The enclosed draft procedure is forwarded for your close review, critique and return by July 28, 1978.

The contents of this procedure are not a pleasant alternative to reduce funding or declining enrollment but are nevertheless an area that must be addressed. While it is unlikely to be implemented, and hopefully with good management, the need will not arise to do so, it is important to have a well thought out plan in advance of an eventuality.

As you are all well aware, funding has been a problem for the last several years throughout the South Carolina Technical Education System. The effect on Piedmont TEC has been a substantially reduced allocation for the last two years.

The TEC System has also experienced declining enrollment. Throughout TEC enrollments have declined by 9%. We are also experiencing similar but not as severe problems at Piedmont TEC. Lower enrollments compound the fund problem.

We have addressed each of these problems by reducing non-personnel expenditures as much as practical. This has resulted this fiscal year in just barely ending the year in the black, and it took a bit of scrambling to do that. Further reductions in State appropriations at the magnitude experienced in the last two fiscal years will require a study of enrollment patterns and the possibility of retrenchment. Recent signals from the state indicate that this will not be necessary as the financial picture has brightened, however as mentioned, there is a need for a well thought out acceptable procedure well in advance of the need for implementation.

I will appreciate your critique, comments, and recommendations and an early reply will be most appreciated.

ks

cc: Al Vaughn

APPENDIX D

INSTITUTIONAL DIRECTIVE 5-

July 24, 1978

Title: Reduction-in-Force

I. Purpose

The purpose of this directive is to outline the procedures to be followed when employees of Piedmont Technical College are being affected by a Reduction-In-Force (RIF). This directive applies to all employees of Piedmont TEC.

II. Policy

The policy of this college is to minimize, to the greatest extent possible, the adverse effects of reduction in force through planning and management of resources. To attain this objective:

1. Vacancies will not be filled during periods of declining enrollment and revenue unless absolutely essential.
2. Vacant positions will be filled by persons affected by reductions in force where possible, to minimize separations.
3. Positive placement efforts will be made for all employees who are to be separated.
4. Reduction in force will be administered without regard to race, religion, color, national origin, sex, political affiliations, or any other non-merit or discriminatory factor.
5. The order of layoff of full-time contractual-permanent employees shall be governed by length of service with the State of South Carolina.
6. Reduction in force procedures will not be used to dismiss marginal or unsatisfactory performers.

III. Definitions

A. Classified Employee - an employee filling a position classified and approved by the State Budget and Control Board under the Classification and Compensation Plan.

B. Part-time Employee - one who devotes less than a full work week to their job during the period of employment. Temporary part-time employees are hired for a period not to exceed six months.

C. Permanent Employee - an individual filling a permanent classified or unclassified position authorized by the State of South Carolina.

D. Reduction in Force - termination of employment based upon a determination of staff reduction as set forth in Section IV. General.

E. Seniority - length of an employee's service with the State beginning as of the last date hired.

F. Unclassified Employee - consists of three categories of employees as follows: (1) teaching faculty; (2) non-teaching faculty whc are employed and compensated in accordance with the compensation plan for faculty personnel; and (3) Institutional Officers.

IV. General

A. Reduction in forces resulting in the termination of permanent faculty and staff may occur for any one of the following reasons:

1. The college is faced with a justifiable lack of work.
2. The college or a particular curricular service or support program area has experienced declining enrollment in two consecutive fall terms or the equivalent thereof.

3. The General Assembly, Budget and Control Board and/or State Board for Technical and Comprehensive Education have failed to appropriate funds at or above the previous year's allocation.
4. The supporting counties individually, or in total, fail to support their fair share of the annual levy for funding by at least 85% of the request.
5. Any justifiable change occurs in the college or in the faculty/staff employees curricular, service or support program area.

B. In the event that a reduction in force is a possible consideration based upon a funding or enrollment circumstance of the preceding paragraph, action will be taken by the President in concert with the Institutional Officers and Deans to curtain non-personal expenditures where possible.

C. When curtailment of non-personal costs are insufficient to balance the budget without deficit financing, the elimination or reduction of educational or support programs will be considered. Initially such a reduction may be achieved through termination of marginal programs weighed in terms of costs, student enrollments and/or community need. Beyond this, it may be necessary to transfer or terminate employees in various programs and support areas to achieve the necessary reduction in expenditure levels.

D. When a reduction in force surfaces as the feasible alternative to approval of the Area Commission through proposal of a comprehensive reduction plan. The approval of the Area Commission is necessary for the implementation of reduction in force procedures.

E. Only the President can terminate employees. In every instance, he will provide the employee a written statement outlining the reason for dismissal or failure to renew a contract.

F. If a reduction in force becomes necessary, the order of layoff of permanent employees shall be governed by length of service with the State of South Carolina.

V. Procedures

A. Development of Plan. If severe reductions and/or enrollment declines necessitate the need for consideration for retrenchment, the President will convene a meeting of the Institutional Officers to develop a reduction in force plan. This plan will identify the positions to be vacated or the job classifications to be reduced. The plan will identify the curricular or program area and the number of positions to be reduced.

Responsibilities for the plan are as follows:

1. Development Officer:
   a. Will review past and projected enrollment data and prepare a priority listing of programs
2. Academic Officer:
   a. will review the program data furnished by the Development Officer and in concert with the Council of Deans, affirm or revise the program priority based upon insight from the faculty organization. Factors influencing programs will include program relationship with other

programs, relations with future Federal and State requirements, accreditation requirements, facilities, and student considerations;

b. will recommend to the President, the programs and number of positions within the program area that will be considered for reduction. This information will be in priortiy sequence.

3. Business Officer:

a. will furnish detail financial data to the Institutional Officers. These data will include the current financial position of the college and the projected shortfall after maximum feasible non-personal costs are curtailed but with retention of all permanent faculty and staff employees. Based on an analysis of projected revenue and expenditures, the Business Officer will establish a maximum dollar figure for personnel services and a resultant dollar reduction figure;

b. will complete the personnel costs associated with the programs identified by the Academic Officer;

c. will complete the personnel costs associated with the curtailment of programs;

d. will develop listing, in priority order, of classified support positions subject to reduction because of either direct or indirect relationship to proposed program reductions.

4. The President:

a. will review the input from the Insititutional Officers, review the financial status again and assess the need for continued progression towards a reduction plan. As

soon as it becomes apparent to the President that there is likely to be a reduction in force of contractual personnel, he will immediately notify the contractual personnel, of the college. Following this, the President or designee will estimate the number of reductions that can be accommodated through normal attrition. Additionally, part-time personnel in curricular and support program areas affected shall be reduced prior to reduction of full-time contractual personnel;

b. will, when needed staff reduction cannot be satisfied by the above, finalize a reduction in force proposal to the Area Commission. This proposal shall include: the financial analysis necessitating the retrenchment action; the programs and number of positions within the program to be reduced; and the effective date of the reduction;

c. will, upon approval of the reduction plan by the Area Commission, convene a meeting of the college personnel to review the proposed action and the impact on the college and college personnel;

d. will provide each employee affected with a written notice outlining the method of selection of non-renewals of contracts.

B. Notice.

1. Time of Notice. Notice of termination shall be given as early as practical but no later than February 15 of the contract year in which it is necessary for such reduction in forces to take effect, except that when the reduction in force is attributed solely to the failure of the General Assembly to

appropriate at or above the previous year's full-time payroll equivalent. In this case, the college will provide personnel with a minimum of sixty days' notice.

2. Form of Notice. Notice shall be given in writing and shall be given to the individual in person or else sent by registered mail to the address as shown on personnel records of the college.
3. Source of Notice. The notice shall explain the reason for non-renewal/reduction and provide information relative to employee benefits.

C. Employee Rights.

1. Personnel affected by a reduction in force will be given the opportunity to move into other areas in the college where there may be vacancies for which they are qualified. If the President or designee determines that a reasonable opportunity exists, personnel may be given the opportunity to retrain themselves to meet the qualifications required to move into areas where there are vacancies.
2. Employees designated for release may bump any other individual within the department as long as the bumping employee has more seniority within the State than the employee who is being bumped, and the bumping employee has the training, education, and qualifications, as determined by the President or designee, to satisfactorily fulfill the job requirements.

3. Following termination of employment by reason of this directive, when hiring commences in the college, those positions for which the reduced personnel are qualified, as determined by the President or designee, will be offered first to those personnel whose contracts were cancelled last, and continue to be offered through the list of those whose contracts were cancelled first. All personnel must keep the Personnel Office informed of their current mailing address in order for a contract of employment as specified in this paragraph.
4. Personnel rehired under the provisions of this directive will have all of the benefits of longevity, salary, and fringe benefits reinstated. All earlier accumulated sick leave will be restored.
5. Personnel returning shall be employed at their former salary if funds permit. In no instance shall an employee be paid less than the minimum salary required of the job classification and/or compensation plan.
6. Re-employment rights will be retained for a period of two years from the date of separation.
7. Grievance procedures detailed in the State Board for Technical and Comprehensive Education Personnel Manual will be in effect during implementation of a reduction in force.

APPENDIX E

Piedmont Technical College

EMERALD ROAD - DRAWER 1467 - GREENWOOD, S. C. 29646 - PHONE 803-223-8357

LEX D. WALTERS
PRESIDENT

July 27, 1978

Leroy Mosely
Director of Personnel
State Board for Technical
and Comprehensive Education
Rutledge Building
1429 Senate Street
Columbia, SC 29201

Dear Leroy:

The enclosed draft procedure on Reduction In Force is forwarded for your review and comment.

When I perceived the need for such a procedure, we did not have a directive either at Piedmont TEC or in the TEC system. Quite recently I noted that the Personnel consultants for the state recommended that a brochure be developed and prepared a draft procedure with their report. I concur with the need however, the draft provided by the consultants is too general and simplistic to cover the importance and sensitivity of a reduction in force.

While a reduction in force is an unpleasant alternative to reduce expenditures, it is sometimes the only feasible alternative to reduced funding and enrollment declines. Hopefully we will not have to implement such a procedure, but in the event that we do, it is important that we have a procedure that is reasonable, fair to employees, and acceptable, and I might add, one that has been developed rationally rather than in the emotional setting preceding the need for retrenchment.

The enclosed procedure is my first cut in meeting this need. Will appreciate your critique and an early reply will be most appreciated.

Sincerely

John A. Morgan, Jr.
Vice President for Business and Finance

Enc.

BOARD OF COMMISSIONERS: ... CHAIRMAN, GREENWOOD ... SECRETARY, ABBEVILLE ... GREENWOOD ... GREENWOOD ... CLINTON ... LAURENS ... GREENWOOD

Piedmont TEC

INTER-OFFICE MEMORANDUM

DATE: August 21, 1978

TO: Ken Shull

FROM: John Morgan

SUBJECT: Reduction In Force Procedure

The enclosed draft procedure is forwarded for your close review, critique and return by August 25, 1978.

The contents of this procedure are not a pleasant alternative to reduce funding or declining enrollment but are never-the-less an area that must be addressed. While it is unlikely to be implemented, and hopefully with good management, the need will not arise to do so, it is important to have a well thought out plan in advance of an eventuality.

As you are all well aware, funding has been a problem for the last several years throughout the South Carolina Technical Education System. The effect on Piedmont TEC has been a substantially reduced allocation for the last two years.

The TEC system has also experienced declining enrollment. Throughout TEC enrollments have declined by 9%. We are also experiencing similar but not as severe problems at Piedmont TEC. Lower enrollments compound the fund problem.

We have addressed each of these problems by reducing non-personnel expenditures as much as practical. This has resulted this fiscal year in just barely ending the year in the black, and it took a bit of scrambling to do that. Further reductions in State appropriations at the magnitude experienced in the last two fiscal years will require a study of enrollment patterns and the possibility of retrenchment. Recent signals from the state indicate that this will not be necessary as the financial picture has brightened, however as mentioned, there is a need for a well thought out acceptable procedure well in advance of the need for implementation.

I will appreciate your critique, comments, and recommendations and an early reply will be most appreciated.

fe

Piedmont TEC

INTER-OFFICE MEMORANDUM

DATE: August 20, 1978

TO: John Morgan

FROM: Lex Walters

SUBJECT: Reduction in Force Policy

John, lets meet to discuss the reduction in force policy. It is a well thought out and well written directive. I have only minor suggestions. I do have a couple of things I'd like Henry Heriott to comment on.

Piedmont TEC

INTER-OFFICE MEMORANDUM

DATE: July 28, 1978

TO: John Morgan

FROM: Ernest Prewett

SUBJECT: Proposed Directive on RIF

I have reviewed your proposed directive governing reductions in force and feel that it is thoroughly considered and well written (like you always do things, Colonel!).

The following represent my only additional observations:

1. (Paragraph II, Policy, Item #1) By whose definition will a position be judged as "absolutely essential?" (As you know, all Student Services and Business/Finance positions are essential!)

2. (Paragraph IV, General, Item F) I am concerned about "length of service" being the only criterion for layoff when an area has been targeted. This makes no allowance for value of the office concerned, quality of performance (already abrogated by II-6), or other important considerations.

3. (Paragraph V-C-2) Why would an employee be pinpointed for layoff if he/she met the conditions which would permit "bumping?"

Again, I commend you on developing an excellent plan.

cmt

Piedmont TEC

INTER-OFFICE MEMORANDUM

DATE: September 1, 1978

TO: John Morgan

FROM: Bob Chaso

SUBJECT: Reduction in Force Procedure

This paper addresses a matter in which I have little experience. Nevertheless, I have provided my comments and observations in marginal notes. Will discuss if you like.

Overall your proposed directive seems very sound.

sl
Attachment

Piedmont TEC

INTER-OFFICE MEMORANDUM

DATE: August 30, 1978

TO: Mr. John Morgan

FROM: Mr. Ed Lau

SUBJECT: Reduction in Force Procedure

I am in agreement that such a procedure is necessary for assuring consistency in the handling and treatment of personnel who are affected by a cutback in personnel. However, I do not feel that the procedure should encompass assessing the need for a reduction in work force. These decisions will be dictated by the many factors affecting the institution and the institutional officers are responsible for addressing the need and the specific action required. Once a reduction in work is decided upon, then the method of administering this reduction should be uniform and subject to the formality of an institutional directive.

For example, the state is in the process of considering a rather detailed proposal for conducting an annual review of curricula programs throughout the state system. The requirements of this proposal, if adopted, would be at variance with the reduction in force procedure as written.

It is my recommendation that the scope be narrowed and that Sections IV and V-A be recast.

cc: Lex Walters
Bob Chason

Piedmont TEC

INTER-OFFICE MEMORANDUM

DATE: August 1, 1978

TO: John Morgan

FROM: Norman Murphy

SUBJECT: RIF Procedure

Overall, concur with many of the provisions of the proposed directive; however unless illegal, I believe the main criterion should be value to the institution, probably determined by one's evaluation and productivity.

INTER-OFFICE MEMORANDUM

Piedmont TEC

DATE: September 11, 1978

TO: John Morgan

FROM: Ken Shull

SUBJECT: Reduction in Force Directive

The first draft of your reduction in force directive appears to center on dismissal of faculty and programs as a first measure when funds become scarce. This seems to ignore the fact that when programs are closed, a source of funds is also cut in the form of FTE's. It would seem that staff positions should be reduced first since they provide no offsetting source of income. The additional administrative load could be picked up by faculty members. This approach would also seem to be more in line with the SACS recommendations in the self-study conducted several years ago. Remember that SACS commented that the administrative to faculty ratio at Piedmont TEC was too high.

The remainder of this memo consolidates specific suggestions or concerns about your initial draft as expressed by Bob Templeton, Jim Rehg, Capers Brazzell and myself.

Section	Comments
Paragraph I	The last sentence states that "This directive applies to all employees of Piedmont TEC." This does not seem to be the case in the body of the directive where there are only procedures to reduce instructional positions.
Paragraph II Objectives 1	Who decides what is "absolutely essential" and what criteria is used to make this decision?
Paragraph III	How are PSE slots classified in these definitions?
Paragraph III Sub-paragraph E	Senority should be based on total service, not on the last date hired.
Paragraph V	We would like to see the following additions:
Sub-paragraph A	...the President will convene a meeting of the Institutional Officers and Deans ....the plan will identify the curricula, program area, or staff area and the number of positions to be reduced....
Paragraph V Sub-paragraph A Item 1	We would like to see the addition of a sub item D as follows: D. will prepare and forward a list of staff positions which could be eliminated without reducing student enrollment or FTE generation. In sub-item A, it would seem that standards (in terms of number of students) need to be established for each program. This standard would then become the basis for identifying programs subject to elimination rather than programs with declining enrollment. It is possible that a program could be experiencing a declining enrollment but could still be above its established standard. This would prevent penalizing programs that had a great many students in the past couple of years and then have an "average" enrollment for the current year.
Paragraph V Sub-prargraph C Item 3	Shouldn't the positions be offered first to those personnel whose contracts were cancelled first rather than those whose contracts were cancelled last? It may be that the current wording is actually better since it would seem logical that the employees who would be terminated first would be the "dead weight" of the institution. Perhaps it would be a good idea to note that the employee rights accrue prior to formal dismissal rather than after formal dismissal.

I would like to thank you John, for allowing the faculty the opportunity to comment on this directive while it is still in its formative stages. We look forward to working closely with you during the coming academic year.

Please forward the employement figures that we spoke of to me at your earliest convenience.

ebh

Piedmont TEC

INTER-OFFICE MEMORANDUM

DATE: October 9, 1978

TO: Institutional Officers and Deans

FROM: John Morgan

SUBJECT: Reduction in Force Policy

With reference to my August 21, 1978 memorandum (enclosed), a second draft Reduction in Force Procedure is forwarded for your critique.

This draft incorporates a number of suggested faculty and staff recommendations as well as a number of suggestions by State Personnel.

Request your critique and return by October 13, 1978.

Thank you for your assistance.

fe

INSTITUTIONAL DIRECTIVE 5-

Title: Reduction-in-Force

I. Purpose

The purpose of this directive is to outline the procedures to be followed when employees of Piedmont Technical College are being affected by a Reduction-In-Force (RIF). This directive applies to all employees of Piedmont TEC.

II. Policy

The policy of this college is to minimize, to the greatest extent possible, the adverse effects of reduction in force through planning and management of resources. To attain this objective:

1. Vacancies will not be filled during periods of declining enrollment and revenue unless deemed absolutely essential by the President.
2. Vacant positions will be filled by persons affected by reductions in force where possible, to minimize separations.
3. Positive placement efforts will be made for all employees who are to be separated.
4. Reduction in force will be administered without regard to race, religion, color, national origin, sex, political affiliations, or any other non-merit or discriminatory factor.
5. ~~Reduction in force procedures will not be used to dismiss marginal or unsatisfactory performers.~~

III. Definitions

A. Classified Employee - an employee filling a position classified and approved by the State Budget and Control Board under the classification and Compensation Plan.

B. Part-Time Employee - one who devotes less than a full work week to their job during the period of employment. Temporary part-time employees are hired for a period not to exceed six months.

C. Permanent Employee - an individual filling a permanent classified or unclassified position authorized by the State of South Carolina.

D. Reduction in Force - termination of employment based upon a determination of staff reduction as set forth in Section IV. General.

E. Seniority - length of an employee's service with the State beginning as of the last date hired.

F. Unclassified Employee - consists of three categories of employees as follows: (1) teaching faculty; (2) non-teaching faculty who are employed and compensated in accordance with the compensation plan for faculty personnel; and (3) Institutional Officers.

IV. General

A. Essentially, reduction in force resulting in the termination of permanent faculty and staff will occur when funds available are insurricient to meet salaries of the full time work force or when the full time work force includes more than enough personnel to perform all required work. These conditions may occur for any one of the following reasons!

1. The college is faced with a justifiable lack of work.
2. The college or a particular curricular service or support program area has experienced declining enrollment in two consecutive fall terms or the equivalent thereof.

3. The General Assembly, Budget and Control Board and/or State Board for Technical and Comprehensive Education have failed to appropriate funds at or above the previous year's allocation.

4. The supporting counties individually, or in total, fail to support their fair share of the annual levy for funding ~~by at least 85% of the request~~.

5. Any justifiable change occurs in the college or in the faculty/staff employees curricular, service or support program area.

B. In the event that a reduction in force is a possible consideration based upon a funding or enrollment circumstance of the preceding paragraph, action will be taken by the President in concert with the Institutional Officers and Deans to curtail non-personal expenditures where possible.

C. When curtailment of non-personal costs are insufficient to balance the budget without deficit financing, departmental units and functions will be reviewed for possible consolidation or elimination as appropriate. Personnel made excess by such realignment will be considered for termination. Further, necessary reductions may be achieved through termination of marginal programs weighed in terms of costs, student enrollments and/or community need. Beyond this, it may be necessary to transfer or terminate employees in various programs and support areas to achieve the necessary reduction in expenditure levels.

D. When a reduction in force surfaces as the feasible alternative to necessary reduction in expenditures, the President will seek the approval of the Area Commission through proposal of a comprehensive reduction plan. The approval of the Area

Commission is necessary for the implementation of reduction in force procedures.

E. Only the President can terminate employees. In every instance, he will provide the employee a written statement outlining the reason for dismissal or failure to renew a contract.

F. If a reduction in force becomes necessary, the reduction will be restricted to the faculty department or staff function identified as redundant based upon the merger/consolidation reviews of paragraph IV C or the results of the program review described in paragraph V. The order of layoff will be as follows:

1. Part-time contractual personnel.
2. Permanent personnel governed by:
   a. Academic Qualifications
   b. Quality of performance.
   c. Length of service with the State of South Carolina.

V. Procedures

A. Development of Plan. If enrollment declines and/or austere financial conditions, described in paragraph IV A above, necessitate the need for consideration of termination of employees, the President will convene a meeting of the Institutional Officers ~~and Deans~~ to develop a reduction plan. The first order of business will be to review prior actions to reaffirm all feasable retrenchment actions, short of layoff, were considered. As a second step, the necessary dollar reduction will be established. A plan, identifying positions to be vacated or job classifications to be reduced will be developed to meet the dollar reduction required.

The plan will identify the curricula, program or staff area and the number of positions to be reduced. Responsibilities for the plan are as follows:

1. Development Officer:
   a. will review past and projected enrollment data and prepare a priority listing of programs with declining student participation;
   b. will coordinate with local industry to determine projections for program areas;
   c. will forward listing of programs to academic officer.
2. Academic Officer:
   a. will review the program data furnished by the Development Officer and in concert with the Council of Deans, affirm or revise the program priority based upon insight from the faculty organization. Programs with declining enrollment should be viewed on the basis of enrollment trends. It is possible that a program experiencing a decline is still above standard in terms of numbers of students and has a potential for profit in terms of program costs versus FTE generations. Other factors influencing programs will include program relationship with other programs, relations with future Federal and State requirements, accreditation requirements, facilities, and student considerations;
   b. will recommend to the President, the programs and number of positions within the program area that will be considered for reduction. This information will be in priority sequence.

3. Business Officer:

   a. will furnish detail financial data to the Institutional Officers. These data will include the current financial position of the college and the projected shortfall after maximum feasible non-personal costs are curtailed but with retention of all permanent faculty and staff employees. Based on an analysis of projected revenue and expenditures, the Business Officer will establish a maximum dollar figure for personnel services and a resultant dollar reduction figure;

   b. will complete the personnel costs associated with the programs identified by the Academic Officer;

   c. will complete the personnel costs associated with the curtailment of programs;

   d. will develop listing, in priority order, of classified support positions subject to reduction because of either direct or indirect relationship to proposed program reductions, and the associated costs.

4. The President:

   a. will review the input from the Institutional Officers, review the financial status again and assess the need for continued progression towards a reduction plan. As soon as it becomes apparent to the President that there is likely to be a reduction in force of contractual personnel, he will

immediately notify the contractual personnel of the college of the possibility. Following this, the president or designee will estimate the number of reductions that can be accommodated through normal attrition. Additionally, part-time personnel, in curricular and support program areas affected, shall be reduced prior to reduction of full-time contractual personnel;

b. will, when needed staff reduction cannot be satisfied by the above, finalize a reduction in force proposal to the Area Commission. This proposal shall include: the financial analysis necessitating the retrenchment action; the programs and number of positions within the program to be reduced; and the effective date of the reduction;

c. will, upon approval of the reduction plan by the Area Commission, convene a meeting of the college personnel to review the proposed action and the impact on the college and college personnel;

d. will provide each employee affected with a written notice outlining the method of selection of non-renewals of contracts.

B. Selection of Surplus Personnel.

With the identification of the programs and/or staff functions to be reduced, the department head in concert with the Institutional Officer and dean will prepare a listing of the individuals to be released. This listing will be in priority sequence of dismissal based on established criteria (first person to be dismissed listed first and so on). The criteria to be used for dismissal will be on a point system

based upon educational qualifications, efficiency in performance and seniority with the State of South Carolina.

1. Educational Qualifications - as judged by academic credentials, teaching experience, non-teaching related experience and professional growth, a rating of 1-5 points will be applied to this area.
2. Efficiency of Performance - as determined by written annual performance evaluations in personnel files 0 - 4 points will be assigned to each of the last three annual performance evaluations based on the assignment of 0 points for unsatisfactory and marginal service, 1 point for satisfactory, 2 points for superior and 4 points for outstanding. A maximum score of 12 is possible in this category.
3. Seniority - as determined by service with the State of South Carolina 1 to 8 points will be assigned for each year of service. A maximum of eight points can be achieved in this category. Notice will be given to the individuals with the least number of points in the departments/programs/staff areas identified for reduction based upon the reduction plan developed in paragraph V A.

C. Notice.

1. Time of Notice. Notice of termination shall be given as early as practical but no later than February 15 of the contract year in which it is necessary for such reduction in forces to take effect, except that when the reduction in force is attributed solely to the failure of the General Assembly to appropriate at or above the previous year's full-time payroll equivalent. In this case, the

college will provide personnel with a minimum of sixty day's notice.

2. Form of Notice. Notice shall be given in writing and shall be given to the individual in person or else sent by registered mail to the address as shown on personnel records of the college.

3. Source of Notice. The notice shall explain the reason for non-renewal/reduction and provide information relative to employee benefits.

D. Employee Rights.

1. Personnel affected by a reduction in force will be given the opportunity to move into other areas in the college where there may be vacancies for which they are qualified. If the President or designee determines that a reasonable opportunity exists, personnel may be given the opportunity to retrain themselves to meet the qualifications required to move into areas where there are vacancies.

2. Following termination of employment by reason of this directive, when hiring commences in the college, those positions for which the reduced personnel are qualified, as determined by the President or designee, will be offered first to those personnel whose contracts were cancelled last, and continue to be offered through the list of those whose contracts were cancelled first. All personnel must keep the Personnel Office informed of their current mailing address in order for a contract of employment as specified in this paragraph.

3. Personnel rehired under the provisions of this directive will have all of the benefits of longevity, salary, and fringe benefits reinstated. All earlier accumulated sick leave will be restored.
4. Personnel returning shall be employed at their former salary if funds permit. In no instance shall an employee be paid less than the minimum salary required of the job classification and/or compensation plan.
5. Re-employment rights will be retained for a period of one year from the date of separation.
6. Grievance procedures detailed in the State Board for Technical and Comprehensive Education Personnel Manual will be in effect during implementation of a reduction in force.

APPENDIX N

INTER-OFFICE MEMORANDUM

Piedmont TEC

DATE: October 9, 1978

TO: Ken Shull, Faculty Senate

FROM: John Morgan

SUBJECT: Reduction In Force Procedure

Thank you for your comments on the draft RIF policy. I appreciate your candor and the constructive nature of your comments.

Enclosed is a revision incorporating a number of suggested revisions from Deans, State Personnel and of course your suggestions. I hope that this draft comes closer to the mark. While you were not concerned with the seniority aspect of the original proposal, a number of the Deans and State Personnel were concerned that performance was not a factor in the selection process. As a result, the re-write addresses this by establishing a point system. Please review and let me have your thoughts.

As to where we go from here, the state will finalize a state policy after reviewing inputs from the centers. At this point, ours is the only input.

Thank you for your support.

fe

APPENDIX O

Piedmont Technical College

EMERALD ROAD - DRAWER 1467 - GREENWOOD, S. C. 29646 - PHONE 803-223-8357

LEX D. WALTERS
PRESIDENT

, 1978

Mr. Leroy Mosely
State Board for Technical and
Comprehensive Education
Robinson Building
Lexington Avenue
West Columbia, S.C. 29169

Dear Leroy,

The enclosed Reduction in Force procedure is forwarded for your review. The procedure has been considerably expanded since you last reviewed it. The major revision concerns the order of layoff. As we discussed, most reduction procedures use seniority as the major criteria for order of layoff. My term "most" could be an overstatement. It is a judgement based upon a review of literature in the field and my experience with federal government procedures. These are some exceptions, as Miami-Dade, where a host of measures, such as character, compatibility, efficiency and so forth were used. Based somewhat on their system, discussions with Dr. Walters and the deans, as well as your strong feelings that measures in addition to seniority should be used, I added a new section titled "Selection of Surplus Personnel" where two quality factors and seniority are used as the basis for order of layoff. After discussing a myriad of factors and point systems, a system which rates academic credentials, efficiency of performance and seniority appears to satisfy the range of concerns expressed by the administration, faculty and staff at Piedmont TEC.

There were a number of other revisions to the original. In paragraph IV A for example, I thought that it was important to state clearly the setting that might prompt a RIF. Other revisions were made to clarify procedures that were subject to the wrong interpretation.

In the Employee Rights area, the paragraph on "Bumping" was eliminated in its entirety. Bumping does not seem that applicable to the technical colleges and is obviated somewhat by the criteria established for selecting surplus personnel. The right to move into other areas of the college has been retained in the procedure.

BOARD OF COMMISSIONERS: THOMAS L. SNOWDEN, CHAIRMAN, GREENWOOD - THOMAS N. CRENSHAW, V. CHAIRMAN, ABBEVILLE - DORRIS S. HALL, SECRETARY, ABBEVILLE - L. S. BRICE, McCORMICK - PAUL M. DeLOACHE, SALUDA - G. ROBERT HAWKINS, NEWBERRY - W. LAMAR LIGHTSEY, GREENWOOD - ROBERT C. MOORE, GREENWOOD - SAM M. SLADE, EDGEFIELD - RALPH N. TEDARDS, CLINTON - THOMAS J. THOMPSON, LAURENS - BILL W. WHALEY, GREENWOOD

At this point we feel that we have a fairly comprehensive and satisfactory procedure. We would like to go with it and suggest that you consider using it as model or framework for the TEC System.

Will appreciate your early critique and approval.

Sincerely,

John A. Morgan, Jr.
Vice President for Business
and Finance

JAM:fme

APPENDIX P

RESPONSES TO SECOND DRAFT

Dr. Lex Walters, President

"I have read through the Reduction in Force Policy, and I am in general agreement with this policy. In reading through it, however, I did note several things that I might suggest as constructive criticism.

Under II, Policy, Item 5, it is stated that "reduction in force procedures will not be used to dismiss marginal or satisfactory performers." Since this subject is covered under Item 4-F, I do not feel it would be best to list this under the policy statement. Under Item IV-4, I feel that it would be best to remove the percentage from the county appropriation and simply state that if county appropriations are not sufficient to cover the budget items normally allocated to the counties, then a reduction will be made to bring expenditures in line with appropriation. Under Item V-a, in the first sentence, it states, "the President will convene a meeting of the institutional officers and deans to develop a reduction plan." I don't think it would be appropriate to include the deans in the initial discussions on this plan; therefore, I would suggest that the term "and deans" be removed.

John, overall I think this is an excellent policy statement, and I appreciate your work in putting it in final form. I am hopeful that the above suggestions can be used to minimize some of the misunderstandings that might occur relative to a reduction in force policy."

(letter: September 29, 1978)

Charles Baumeister, Dean

"Concur as is, no comments."

(Note: October 13, 1978)

Norman Murphy, Dean

"John, I like this draft much better. Only a few comments attached."

(Note: October 13, 1978)

Robert Chason, Vice President for Development

"John, this is good directive. Three small points! Re: paragraph II.5. and V.B.2., I do not believe in an actual situation where persons who have substantially similar academic and seniority points that marginal or unsatisfactory performers could fail to get the ax. Further, the criterion of academic qualifications is not a good approach. If qualifications have any value they merely indicate potential performance. If performance is known qualifications are superfluous. Re: paragraph V.3., Should not total cost instead of personnel cost be considered.

 (Note: October 13, 1978)

Ken Shull, President, Faculty Senate

"Our main objection to the original plan was that the emphasis was on releasing faculty and not staff. The new directive corrects this deficiency."

(Telephone call: October 18, 1978)

Leroy Mosely, Director of Personnel

"I like it! Will use as the basis for state document. Appreciate your efforts to develop meaningful policy."

(Telephone call: October 18, 1978)

Ernest Prewett, Dean

"No objection. I like it."

(Telephone Call: October 18, 1978)

INTER-OFFICE MEMORANDUM

DATE: October 17, 1978

TO: Piedmont TEC Area Commission

FROM: Lex Walters

SUBJECT: Reduction in Force Procedure

BACKGROUND

During the last three years the technical education system has experienced a leveling of growth which characterized it's early years and a sharp decline in state financial support. At Piedmont Technical College where enrollments have remained relatively stable, the substantially reduced state financial allocations have forced the college to reduce expenditures across a wide range of college activities. Typically across the board reductions have been made in most budget categories to balance planned revenue with forcasted expenditures. In FY76 the Budget was balanced by limiting expenditures for travel, office/instructional supplies, and Faculty/Staff development. A further reduction in state financial support in FY77 resulted in the decision to reduce most budget categories by 8%. In FY78 the state allocation was less than the prior year. Once again, except for the full time payroll category, reductions were made in all budget accounts. In addition, you recall a number of maintenance projects were deferred. Despite these and other economy measures, local monies designed to maintain facilities were required to meet the June 1978 payroll. While funding has been improved somewhat for fiscal year 78/79 the budget and control board at this point has indicated that funds will be reduced by approximately 5% for FY79/80. The prospects of continued austere funding by the state demands that the college continue to look to other alternatives to achieve essential economies. Since salaries represent the single largest budget category and represents the area funded by the state, it must be viewed as a potential source for reduced expenditures. A recent review of the TEC personnel system by an independent audit firm surfaced a need for the development of a reduction in force procedures. The proposed procedure recommended by this independent audit firm is somewhat simplistic and does not cover the intricacies of a good reduction in force policy. Based on our interest in the subject, the State asked Piedmont TEC to provide the leadership role in developing a reduction in force procedure. This procedure is attached to this proposal.

PROPOSAL

Proposed that the Area Commission adopt the enclosed Reduction in Force policy for Piedmont Technical College and endorse its forwarding to TEC Personnel to be used as a foundation for the development of TEC policy.

INSTITUTIONAL DIRECTIVE 4-5

Title: Reduction-in-Force

I. Purpose

The purpose of this directive is to outline the procedures to be followed when employees of Piedmont Technical College are being affected by a Reduction-In-Force (RIF). This directive applies to all employees of Piedmont TEC.

II. Policy

The policy of this college is to minimize, to the greatest extent possible, the adverse effects of reduction in force through planning and management of resources. To attain this objective:

1. Vacancies will not be filled during periods of declining enrollment and revenue unless deemed absolutely essential by the President.
2. Vacant positions will be filled by persons affected by reductions in force where possible, to minimize separations.
3. Positive placement efforts will be made for all employees who are to be separated.
4. Reduction in force will be administered without regard to race, religion, color, national origin, sex, political affiliations, or any other non-merit or discriminatory factor.

III. Definitions

A. Classified Employee - an employee filling a position classified and approved by the State Budget and Control Board under the Classification and Compensation Plan.

B. Part-Time Employee - one who devotes less than a full work week to their job during the period of employment. Temporary part-time employees are hired for a period not to exceed six months.

C. Permanent Employee - an individual filling a permanent classified or unclassified position authorized by the State of South Carolina.

D. Reduction in Force - Termination of employment based upon a determination of staff reduction as set forth in Section IV, General.

E. Seniority - length of an employee's service with the State beginning as of the last date hired.

F. Unclassified Employee - consists of three categories of employees as follows: (1) teaching faculty: (2) non-teaching faculty who are employed and compensated in accordance with the compensation plan for faculty personnel; and (3) Institutional Officers.

Office of Responsibility:
President

IV General

A. Essentially, reduction in force resulting in the termination of permanent faculty and staff will occur when funds available are insufficient to meet salaries of the full time work force or when the full time work force includes more than enough personnel to perform all required work. These conditions may occur for any one of the following reasons:
   1. The college is faced with a justifiable lack of work.
   2. The college or a particular curricular service or support program area has experienced declining enrollment in two consecutive fall terms or the equivalent thereof.
   3. The General Assembly, Budget and Control Board and/or State Board for Technical and Comprehensive Education have failed to appropriate funds at or above the previous year's allocation.
   4. The supporting counties individually, or in total, fail to support their fair share of the annual levy for funding.
   5. Any justifiable change occurs in the college or in the faculty/staff employees curricular, service or support program area.

B. In the event that a reduction in force is a possible consideration based upon a funding or enrollment circumstance of the preceding paragraph, action will be taken by the President in concert with the Institutional Officers and Deans to curtail non-personal expenditures where possible.

C. When curtailment of non-personal costs are insufficient to balance the budget without deficit financing, departmental units and functions will be reviewed for possible consolidation or elimination as appropriate. Personnel made excess by such realignment will be considered for termination. Further, necessary reductions may be achieved through termination of marginal programs weighed in terms of costs, student enrollments and/or community need. Beyond this, it may be necessary to transfer or terminate employees in various programs and support areas to achieve the necessary reduction in expenditure levels.

D. When a reduction in force surfaces as the feasible alternative to necessary reduction in expenditures, the President will seek tha approval of the Area Commission through proposal of a comprehensive reduction plan. The approval of the Area Commission is necessary for the implementation of reduction in force procedures.

E. Only the President can terminate employees. In every instance, he will provide the employee a written statement outlining the reason for dismissal or failure to renew a contract.

F. If a reduction in force becomes necessary, the reduction will be restricted to the faculty department or staff function identified as redundant based upon the merger/consolidation reviews of paragraph IV C or the results of the program review described in paragraph V. The order of layoff will be as follows:
   1. Part-time contractual personnel
   2. Permanent personnel governed by:
      a. Academic Qualifications.
      b. Quality of performance.
      c. Length of service with the State of South Carolina.

V. Procedures

A. Development of Plan. If enrollment declines and/or austere financial conditions, described in paragraph IV A above, necessitate the need for consideration of termination of employees, the President will convene a meeting of the Institutional Officers to develop a reduction plan. The first order of business will be to review prior actions to reaffirm all feasible retrenchment actions, short of layoff, were considered. As a second step, the necessary dollar reduction will be established. A plan, identifying positions to be vacated or job classifications to be reduced will be developed to meet the dollar reduction required. The plan will identify the curricula, program or staff area and the number of positions to be reduced. Responsibilities for the plan are as follows:

1. Development Officer:
   a. will review past and projected enrollment data and prepare a priority listing of programs with declining student participation;
   b. will coordinate with local industry to determine projections for program areas;
   c. will forward listing of programs to Academic Officer.
2. Academic Officer:
   a. will review the program data furnished by the Development Officer and in concert with the Council of Deans, affirm or revise the program priority based upon insight from the faculty organization. Programs with declining enrollment should be viewed on the basis of enrollment trends. It is possible that a program experiencing a decline is still above standard in terms of numbers of students and has a potential for profit in terms of program costs versus FTE generations. Other factors influencing programs will include program relationship with other programs, relations with future Federal and State requirements, accreditation requirements, facilities, and student considerations;
   b. will recommend to the President, the programs and number of positions within the program area that will be considered for reduction. This information will be in priority sequence.
3. Business Officer:
   a. will furnish detail financial data to the Institutional Officers. These data will include the current financial position of the college and the projected shortfall after maximum feasible non-personal costs are curtailed but with retention of all permanent faculty and staff employees. Based on an analysis of projected revenue and expenditures, the Business Officer will establish a maximum dollar figure for personnel services and a resultant dollar reduction figure;
   b. will complete the personnel costs associated with the programs identified by the Academic Officer;
   c. will complete the personnel costs associated with the curtailment of programs;
   d. will develop listing, in priority order, of classified support positions subject to reduction because of either direct or indirect relationship to proposed program reductions, and the associated costs.

4. The President:
   a. will review the input from the Institutional Officers, review the financial status again and assess the need for continued progression towards a reduction plan. As soon as it becomes apparent to the President that there is likely to be a reduction in force of contractual personnel, he will immediately notify the contractual personnel of the college of the possibility. Following this, the president or designee will estimate the number of reductions that can be accommodated through normal attrition. Additionally, part-time personnel, in curricular and support program areas affected, shall be reduced prior to reduction of full-time contractual personnel;
   b. will, when needed staff reduction cannot be satisfied by the above, finalize a reduction in force proposal to the Area Commission. This proposal shall include: the financial analysis necessitating the retrenchment action; the programs and number of positions within the program to be reduced; and the effective date of the reduction;
   c. will, upon approval of the reduction plan by the Area Commission, convene a meeting of the college personnel to review the proposed action and the impact on the college and college personnel;
   d. will provide each employee affected with a written notice outlining the method of selection of non-renewals of contracts.

B. Selection of Surplus Personnel.
With the identification of the programs and/or staff functions to be reduced, the department head in concert with the Institutional Officer and Dean will prepare a listing of the individuals to be released. This listing will be in priority sequence of dismissal based on established criteria (first person to be dismissed listed first and so on). The criteria to be used for dismissal will be on a point system based upon educational qualifications, efficiency in performance and seniority with the State of South Carolina.
   1. Educational Qualifications - as judged by academic credentials, teaching experience, non-teaching related experience and professional growth, a rating of 1-5 points will be applied to this area.
   2. Efficiency of Performance - as determined by written annual performance evaluations in personnel files 0 - 4 points will be assigned to each of the last three annual performance evaluations based on the assignment of 0 points for unsatisfactory and marginal service, 1 point for satisfactory, 2 points for superior and 4 points for outstanding. A maximum score of 12 is possible in this category.
   3. Seniority - as determined by service with the State of South Carolina 1 to 8 points will be assigned for each year of service. A maximum of eight points can be achieved in this category. Notice will be given to the individuals with the least number of points in the departments/programs/ [illegible] areas identified for reduction based upon the reduction [illegible] developed in paragraph V-A.

C. Notice.
   1. Time of Notice. Notice of termination shall be given as early as practical but no later than February 15 of the contract year in which it is necessary for such reduction in forces to take effect, except that when the reduction in force is attributed solely to the failure of the General Assembly to appropriate at or above the previous year's full-time payroll equivalent. In this case, the college will provide personnel with a minimum of sixty day's notice.
   2. Form of Notice. Notice shall be given in writing and shall be given to the individual in person or else sent by registered mail to the address as shown on personnel records of the college.
   3. Source of Notice. The notice shall explain the reason for non-renewal/reduction and provide information relative to employee benefits.

D. Employee Rights.
   1. Personnel affected by a reduction in force will be given the opportunity to move into other areas in the college where there may be vacancies for which they are qualified. If the President or designee determines that a reasonable opportunity exists, personnel may be given the opportunity to retrain themselves to meet the qualifications required to move into areas where there are vacancies.
   2. Following termination of employment by reason of this directive, when hiring commences in the college, those positions for which the reduced personnel are qualified, as determined by the President or designee, will be offered first to those personnel whose contracts were cancelled last, and continue to be offered through the list of those whose contracts were cancelled first. All personnel must keep the Personnel Office informed of their current mailing address in order for a contract of employment as specified in this paragraph.
   3. Personnel rehired under the provisions of this directive will have all of the benefits of longevity, salary, and fringe benefits reinstated. All earlier accumulated sick leave will be restored.
   4. Personnel returning shall be employed at their former salary if funds permit. In no instance shall an employee be paid less than the minimum salary required of the job classification and/or compensation plan.
   5. Re-employment rights will be retained for a period of one year from the date of separation.
   6. Grievance procedures detailed in the State Board for Technical and Comprehensive Education Personnel Manual will be in effect during implementation of a reduction in force.